(a) whether Government are contemplating to modernise the small and medium industries;

(b) if so, whether Government have taken any action so far in this direction;

(c) if so, the details thereof; and (d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) yes, Sir.

(b) and (c) Small Industries Development organisation (SIDO), through the net work of small industries service institutes are pursuing Modernisation Programme in the following manner: — Study of specific industries in large concentrations of clusters to diagnose cluster problems. — Unit Specific Studies (Inplant Studies) for working out modernisation package. — Contact Programmes such as workshops for awareness of Modernisation Programme. SIDO is also contemplating to pursue the modernisation programme jointly with SBI and SIDBI for the small scale sector. A scheme of Trust Fund for technology upgradation to support the need for modernisation & technology upgradation in the small scale sector has also been approved recently.

(d) Does not arise.

Measures to tone up industrial sector

3168. SHRI T. VENKATRAM REDDY: Will the PRIME MINISTER be pleased to state:

(a) the details of the policy measures taken by Government to tone up industrial sector during the last three years;

(b) the extent to which these measures have helped in improving industrial production; and

(c) the role played by the State Governments so far in the implementation of New Industrial Policy?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) Various policy masures taken in the last three years to tone up the industrial sector, interalia, include delicensing, automatic approvals for foreign investment and technology agreements, reform in public sector, reduction and rationalisation of import and excise duties, removal of restriction on imports except for a short list of items in the negative list, etc.

(b) The rate of growth of industrial production has recovered from 0.6% in 1991-92 to 3% in 1993-94.

(c) The role of State Governments have changed from that of exercising control to providing necessary assistance and guidance to entrepreneurs. Most State Governments have announced their Industrial Policies in tune with the New Industrial Policy of the Central Government and have set up agencies to assist entrepreneurs in setting up of projects.

Meeting of Prime Minister with PSU Managers

3169. SHRI SATISH AGARWAL:
SHRI RAMDAS AGARWAL:
Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to a news item published in the Economic Times, dated 30th July, 1994 under the caption PSU Chiefs want Government stake diluted to below 50 percent and also their meeting with him in this connection, indicating whether full autonomy to PSU Managers is being considered;

(b) if so, what are the demands made recently at a meeting of an apex level forum of public sector Chairmen, indicating the outcome of their recent discussions on 30th July, 1994 with him;

(c) whether Government have so far taken any decision/action on the recommendations of the Rangarajan Committee on PSU disinvestment; if so, the details thereof and if not, the reasons therefor, indicating which recommendations have been accepted by Government so far till 30th July, 1994; and

(d) whether any decision at a higher level has been taken so far over the crucial question of Government's ownership i.e. predominant shareholder or its holding could be below 50 percent if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) and (b) Government are

aware of the news item in Economic Times of 30.7.94 referred to here. The presentation made on behalf of the Chief Executives in the Conference of Chief Executives held on 30.7.94 raised certain issues which are summarised in the annexed Statement (see below). Dilution of Government stake below 50% in PSUs was not in the demand list.

Giving more autonomy to PSUs is an on going process. Government delegates more powers in respect of financial, personal and operational matters to the PSUs from time to time taking into consideration various changes/ developments in the industries economic environment.

(c) and (d) Rangarajan Committee Report is under examination of the Government. However, Government do not at present have any proposal to disinvest shares resulting in Government holding coming to below 51%.

Statement

1. It is time that public sector disinvested itself of activities which are best left to the private sector and public sector addresses itself to more crucial areas of development.

2. There is an urgent need to dispel the shadow of nonperformance of PSEs as a whole.

3. A conducive environment and autonomy in operations is needed.

4. There is a requirement of providing an environment in which the business and industry operate on the same ground rules notwithstanding the fact that the ownership is private or Government.

5. There is a need for higher autonomy and improved delegation to the public sector to enable them to operate and respond quickly in today's business environment.

6. The formation of joint ventures with foreign or domestic partners as a business strategy could be left to the Board.

7. Financial restructuring of public sector should be carried out on an enterprise wise financial analysis.

8. The sick and loss making cases are required to be decided quickly by BIFR within a laid down time frame.

9. The term of Chief Executives in effect should not be less than 5 years and there is also a need for filling up the Board level posts quickly.

PSUs in Rajasthan and Orissa

3170. SHRI RAMDAS AGARWAL: Will the PRIME MINISTER be pleased to state:

(a) what are the details of the total investment made till date in each of the public sector undertaking in Rajasthan and Orissa;

(b) what is the annual output of these undertakings and what are the details of profit or loss incurred by each of them, Statewise, during 1991-92, 1992-93 and 1993-94 and so far upto 30th June, 1994;

(c) whether Government propose to handover any of these PSUs to private sector;

(d) whether any review by Board for Industrial and Financial Reconstruction (BIFR), of any Undertaking has been made so far, if so, with what results; and

(e) what are the details thereof, Statewise, and recommendations made by BIFR, if any, in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) and (b) As on 31.3.1993 for which period only the information is available, there were six Central PSEs having their registered Office in each of the States of Rajasthan and Orissa. Name of these enterprises are given on page S-214 of Volume-I of P.E. Survey 1992-93 laid in the Parliament on 23.2.1994. Enterprisewise details of annual production for last three years are available in Statement No. 23A at pages S-134 to S-161 whereas enterprise wise details of net profit/loss during last five years are available in Statement 7A and 7 B at pages S-43 to S-50 in Volume-I of P.E. Survey 1992-93.

(c) Sir, Govt. have only disinvested some of its equity holdings in one enterprise from each of these States viz. HZL (Rajashtan), NALCO (Orissa).

(d) and (e) Schemes in respect of Instrumentation Ltd. in Rajasthan and Orissa